

Since the new Board of County Commissioners was sworn in on December 1<sup>st</sup> we have been on an aggressive schedule. The new board of commissioners consists of newly elected commissioners Paul Smith, Billy Shreve, Kirby Delauter, 16 year veteran David Gray and myself. We went right to work, receiving briefs by division heads and holding a two-day strategic planning retreat. During the strategic planning meetings, six themes came to the forefront: job growth, predictability for businesses, transportation improvements, public safety enhancement, agricultural preservation and land use, and public/private partnerships to provide services. Of course, the theme of adequate education for Frederick County children, Kindergarten through grade 12, was always kept in mind when dealing with these six major themes.

Now, we are hard at work making Frederick County more business friendly and balancing the budget without raising taxes. Currently we have a projected \$11.8 million deficit in the general fund and a projected \$2.8 million deficit in the urban and suburban fire tax districts. We also do not know how much the Maryland Legislature will add to our budget deficit in the next 3 months. In order to balance the state's budget, with a projected \$1.5 billion deficit, the State Legislature could shift some of their costs to our budget.

One thing you can guarantee is that we are committed to balancing the county's budget without raising properties taxes and/or the fire tax. This will be challenging, and some citizens will not be pleased, as balancing the budget without tax increases will mean cutting the budget, eliminating and/or reducing some services and programs, plus major decisions impacting county employees. But we have heard the citizens loud and clear. You cannot afford to pay anymore taxes and right now you need as much of your money in your pocket as possible.

We have already begun this task with reorganizations of county divisions and lay-offs of over 90 county employees. We also made the difficult decision of relinquishing the Federal grant for the Head Start program. This will result in a savings of over \$2 million for Frederick County residents.

The Head Start program serves 282 children in Frederick County. With the Federal grant and the County contribution, we were spending over \$16,000 per child per year and over 80 staff (County employees) were running the program. Head Start is a federally mandated program and it will continue. It will be run by the federally contracted, non-profit organization, CDI. Of course there will be changes to the program in terms of salary and benefits. CDI will run the program until a new grantee is awarded. They will use County facilities and IIT services at no charge until a new grantee is awarded. With the Federal funds and County in-kind, match still over \$8,000 is being spent per child per year.

To do our part, the commissioners have reduced our expense accounts from several thousand dollars per commissioner to several hundred. Additionally, the commissioners eliminated forever the pension plan for commissioners saving \$150,000 over four years. Finally, the commissioners eliminated one executive assistant position for their offices, returning the number of staff to the same level it was 8 years ago.

Working with the business community, we have begun streamlining the process to make Frederick County more business friendly. Those who have a job appreciate it and those who do not, want one. We recognize that government does not create jobs but prevents jobs from being created with over burdensome regulations and fees. Working with business owners, we developed a list of over 200 regulations and fees that we will modify and/or eliminate over the next year. One example being, did you know that you have to take out a \$65 permit to replace your dishwasher? Ridiculous!

Now, for some good news for Frederick County. Natelli Properties announced that their site in Urbana has been selected for the new Social Security Administration building, bringing over 200 jobs for Frederick County. The facility will consist of 60 acres; the building will be 400,000 square feet and will be close to a \$½ billion construction project. Also fourth quarter 2010 Income Tax revenue has come in higher than projected which means one of two things. New jobs were added in Frederick County, folks worked more hours and/or a combination of both during the fourth quarter of 2010. Currently Frederick County unemployment is around 6%; the State of Maryland is around 7%; and nationally it is around 9%.

I look forward to having this opportunity, on a regular basis, to update you on what we commissioners are doing and what that means for the residents in your area. You can always email me or call me on my personal cell with comments and questions.

Blaine R. Young, President

Frederick County Board of Commissioners

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